

ORIGINAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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SHARAGANO HOLDINGS, INC.,

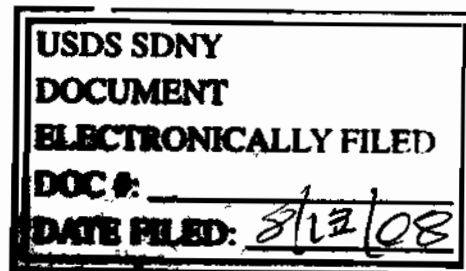
Plaintiff,

-against-

JMB APPAREL DESIGNER GROUP, INC.,

Defendant.
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Case No.
07 Civ. 6244 (NRB)



**STIPULATION OF VOLUNTARY DISMISSAL
AND FINAL CONSENT DECREE**

This Stipulation of Voluntary Dismissal and Final Consent Decree is entered into between and among plaintiff Sharagano Holdings, Inc. ("SHI") and defendant JMB Apparel Designer Group, Inc. ("JMB") pursuant to and in furtherance of the parties agreement to settle all claims and counterclaims asserted between them.

WHEREAS, SHI commenced this action on July 6, 2007, with the filing of a complaint that alleged claims for federal and state trademark law violations under 15 U.S.C. §§ 1114, 1125(a) and 1125(c), and N.Y. Gen Bus. Law §§ 360-k, 349, 360-l, as well as common law claims purportedly for unfair competition and unjust enrichment; and

WHEREAS, on July 26, 2007, JMB filed an answer with counterclaim to the complaint, that generally denied the allegations of the complaint, raised affirmative defenses and asserted a counterclaim for attorneys fees and costs under 15 U.S.C. §§ 1117 and 1125, and N.Y. Gen. Bus. Law § 349(h); and

WHEREAS, in lieu of a ruling on a request for a preliminary injunction sought by SHI that was opposed by JMB, the Parties consented to the entry on October 18, 2007 of a

preliminary Stipulation and Consent Decree (the "Preliminary Decree"), by which the Parties agreed to certain specific consensual restrictions pending a final determination of this action, without admission or acknowledgement of any wrongdoing and without any finding by the Court on any fact or issue in dispute, that was without prejudice to all claims, defenses and counterclaims previously asserted herein; and

WHEREAS, subject to approval by the Court, the Parties thereafter agreed to compromise and settle all claims and counterclaims that were asserted between them, without any admission of liability, upon terms that include the voluntary dismissal with prejudice of all claims and counterclaims asserted in this action, and the entry of a permanent and final consent decree that permanently continues the restrictions of the Preliminary Decree.

NOW, THEREFORE, IT IS HEREBY ORDERED AND DECREED ON CONSENT that:

1. Pursuant to Rule 41(a)(1)(A)(ii) of the Federal Rules of Civil Procedure, this action, including all claims and counterclaims asserted herein, are hereby dismissed with prejudice, with each side to bear its own costs and expenses, subject to the following paragraph.
2. Notwithstanding the foregoing, as of the date hereof, and continuing for all times thereafter, JMB, its agents, servants, employees and representatives, agree that they: (i) shall not use the SHARAGANO Trademark, or any combination or colorable imitation thereof, on any new sales of JMB merchandise or garments or in connection with any advertising, production, publication, display, distribution, or other dissemination, related to such new sales; (ii) shall not make any new sales of JMB merchandise using the labels and hangtags identified as B and C in Exhibit 11 to the Affidavit of Ben Choy, sworn to on July 13, 2007, that has been submitted in this Action; and (iii) shall not make any sales of JMB merchandise that use a label

or hangtag that displays a script font using or suggesting the word "Sharagano" or anything confusingly similar thereto.

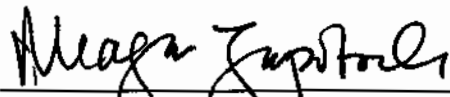
3. This Final Consent Decree shall not constitute an admission or acknowledgement of any wrongdoing, nor shall it constitute a finding by the Court on any fact or legal issue in dispute or before this Court.

4. The obligations imposed under this Voluntary Stipulation of Dismissal and Final Consent Decree shall apply to any and all successor corporations or entities of the parties herein.

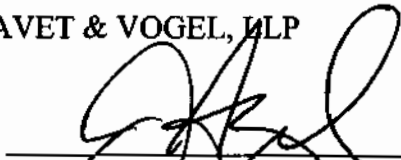
5. The parties agree that the Court will retain jurisdiction over the matters addressed herein for purposes of enforcing this Voluntary Stipulation of Dismissal and Final Consent Decree.

Dated: New York, New York
As of July 23, 2008


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SO ORDERED:


Hon. Naomi Reice Buchwald
United States District Judge
Dated: August 12, 2008